GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:2067
ANSWERED ON:14.03.2017
Payment of Sugarcane Dues
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Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether both the profits of the sugar mills and their dues to farmers have increased across the country during the financial year 2016-17, if so, the details thereof, Sugar Mill-wise;
(b) whether the Government has conducted any enquiry in this regard, if so, the details thereof;
(c) the corrective steps taken by the Government to ensure timely payment to sugarcane farmers for their produce;
(d) whether the country's sugar deficit has widen and if so, the details thereof and the reasons therefor; and
(e) whether the Government has taken any steps for increasing the sugar production and if so, the details thereof?

Answer

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)

(a) & (b): The Government does not maintain data on profit and loss of sugar mills in the country. However, due to several measures taken by the Government, the liquidity position of the industry has improved facilitating clearance of cane price arrears. As per data analysis for the quarter ending 15.02.2017, sugar cane dues for the 2016-17 sugar season is lowest as compared to last five years for the corresponding period.
(c): The Sugarcane (Control) Order,1966 stipulates payment of cane price within 14 days of supply, failing which interest at the rate of 15% per annum on amount due for the delayed period beyond 14 days is payable. The powers for enforcing this provisions are delegated and vested with the State Governments/UT Administrations who have necessary field formations for implementation of the said provision. The Central Government advices the State Governments from time to time to ensure timely payment to the cane growers and take strict action against the defaulting sugar mills for nonpayment of cane price dues. The State Governments takes necessary action like issue of FIR, Recovery Certificates etc. against the defaulting sugar mills for recovery of pending sugarcane dues.
(d): With carry over stock of the previous seasons and estimated sugar production during the current sugar season 2016-17, the availability of sugar in the current sugar season is sufficient to meet the domestic requirement of sugar.
(e): With a view to encourage sugar production, the Central Government provides concessional loans to sugar factories from Sugar Development Fund (SDF) for modernization of plant and machinery, up-gradation of technology and sugarcane development including better irrigation facilities, improved seed variety, ratoon management etc.
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